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Elbit Systems Awarded Israel Ministry of Defense Contract to Supply and Maintain Radio Systems in an Amount of Approximately $100 Million

Haifa, Israel, March 22, 2017 – Elbit Systems Ltd. (NASDAQ and TASE: ESLT) ("Elbit Systems") announced today that it was awarded an approximately $100 million contract by the Israeli Ministry of Defense ("IMOD") for the supply of advanced radio systems. According to the contract, Elbit Systems will manufacture and provide hundreds of radio systems over the course of five years. In addition, Elbit Systems is expected to receive additional order to provide repair and maintenance services for 15 years. Elbit Systems will expand its manufacturing and maintenance site in Arad to include 100 employees, making it a center of excellence for manufacturing and maintenance of advanced radio systems for the Israel Defense Forces (IDF).

Under the contract, Elbit Systems will provide the IDF with hand held, vehicle mounted and airborne third generation Software Defined Radios (SDRs), enabling advanced network services at a high security level. The maintenance activity will be performed under an outsourcing model, as part of the Israeli Defense Ministry's strategy to establish a full array of radio systems at high operational availability while significantly reducing maintenance expenses.

Bezhalel (Butzi) Machlis, President and CEO of Elbit Systems, noted: "We are very proud of this award, reinforcing our strategic partnership with the city of Arad on the one hand and with the IDF on the other. Employing 100 workers in Arad is in line with Elbit Systems' strategy to enhance our presence in Israel's peripheral areas. We have many years of experience in managing outsourcing projects in Israel and abroad, in radio communications as well as other military fields, and I am confident this experience will enable us to provide the IMOD with a top quality highly operational solution for a cost effective price."

About Elbit Systems

Elbit Systems Ltd. is an international high technology company engaged in a wide range of defense, homeland security and commercial programs throughout the world. The Company, which includes Elbit Systems and its subsidiaries, operates in the areas of aerospace, land and naval systems, command, control, communications, computers, intelligence surveillance and reconnaissance ("C4ISR"), unmanned aircraft systems, advanced electro-optics, electro-optic space systems, EW suites, signal intelligence systems, data links and communications systems, radios and cyber-based systems. The Company also focuses on the upgrading of existing platforms, developing new technologies for defense, homeland security and commercial applications and providing a range of support services, including training and simulation systems.

For additional information, visit: www.elbitsystems.com, follow us on Twitter or visit our official Youtube Channel

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This press release contains forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended) regarding Elbit Systems Ltd. and/or its subsidiaries (collectively the Company), to the extent such statements do not relate to historical or current fact. Forward-looking statements are based on management's expectations, estimates, projections and assumptions. Forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. These statements are not guarantees of future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual future results, performance and trends may differ materially from these forward-looking statements due to a variety of factors, including, without limitation: scope and length of customer contracts; governmental regulations and approvals; changes in governmental budgeting priorities; general market, political and economic conditions in the countries in which the Company operates or sells, including Israel and the United States among others; differences in anticipated and actual program performance, including the ability to perform under long-term fixed-price contracts; and the outcome of legal and/or regulatory proceedings. The factors listed above are not all-inclusive, and further information is contained in Elbit Systems Ltd.'s latest annual report on Form 20-F, which is on file with the U.S. Securities and Exchange Commission. All forward-looking statements speak only as of the date of this release. The Company does not undertake to update its forward-looking statements.

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